

COUNCIL COMMUNICATION

AGENDA TITLE:

Authorize the City Manager to Execute a Pipeline Crossing Agreement with

Central California Traction Company at Lime Street

MEETING DATE:

July 5, 2000

PREPARED BY:

Public Works Director

RECOMMENDED ACTION: That the City Council adopt the attached resolution authorizing the City Manager to execute an agreement with Central California Traction Company (CCTC) to install a water main crossing inside CCTC's right-of-

way at Lime Street.

BACKGROUND INFORMATION:

Mondavi Winery is developing the properties west of CCTC's railroad track, east of Guild Avenue and south of Lime Street. One of their development requirements is to install the master water pipeline in Lime Street from CCTC to Guild Avenue. The proposed

water pipeline crossing will connect to the existing 14-inch water main east of CCTC's railroad tracks. The City has applied for the water main crossing agreement from CCTC at the developer's request. The City will execute the Pipeline Crossing Agreement with CCTC and pay for the cost of the crossing agreement (\$2,600). Mondavi Winery will be required to reimburse the City 50% (\$1,300) of the cost of the crossing agreement. A separate Right of Entry Agreement will be signed by the contractor on the project and the Right of Entry fee will be paid by the contractor at the time of construction. The Pipeline Crossing Agreement and the Right of Entry Agreement are attached as Exhibits A and B, respectively.

FUNDING:

Water Impact Mitigation Fees

\$1,300

Funding Available:

enter Myden Finance Director

Richard C. Prima. Public Works Director

Prepared by Lyman Chang, Associate Civil Engineer RCP/LC/Im

Attachments

cc: City Attorney

Senior Civil Engineer - Development Services

Water/Wastewater Superintendent

Mondavi Winery

Central California Traction Company

H. Dixon Flynn -- City Manager

CCCTCPIPELINEXINGAGREE.doc

06/26/00



P. E. COPPLE SUPERINTENDEN

(209) 466-6927

CENTRAL CALIFORNIA TRACTION COMPANY

2201 W. WASHINGTON ST. #12 STOCKTON, CALIFORNIA 95203-2942 FAX (209) 466-1204



R. E. STOKES
SUPERVISOR, SIGNALS
AND LOCOMOTIVES
(209) 463-0798

June 2, 2000 File: 312.21

Richard C. Prima, Jr.
Public Works Director
City of Lodi
City Hall, 221 West Pine Street
Lodi, California 95241-1910

Re: Lime Street Water Pipeline Crossing

RECEIVED

JUN 0 5 2000



Dear Mr Prima:

Enclosed are duplicate originals of a Pipeline Crossing Agreement between Central California Traction Company (CCT) and City of Lodi, covering the proposed installation of a water line under CCT trackage. To properly document the use of CCT's right-of-way, it is necessary that you arrange for execution of these crossing agreements.

- 1. **BOTH** duplicate originals of the crossing agreement.
- 2. Check made payable to the **Central California Traction Company** in the amount of \$2,600.00. If you require formal billing, you may consider this letter as a formal bill. In compliance with the Internal Revenue Services' policy regarding Form 1099, I certify that 94-6000255 is the CCT's correct Federal Taxpayer Identification Number and that **Central California Traction Company** is doing business as a corporation.
- 3. If any work to install the utility is to be performed by a contractor, please ensure that the enclosed letter and duplicate originals of a Contractors Right of Entry Agreement are forwarded to your Contractor for execution and return to Central California Traction Company. Your contractor will not be permitted on CCT's Right-of-Way without this agreement.

If the crossing agreements are not executed and returned within six months from the date of this letter, the offer of the agreement is withdrawn and becomes null and void. If you have any questions concerning this agreement, please feel free to call me.

P. E. Copple

Very truly yours

Enclosures

PIPELINE CROSSING AGREEMENT

Mile Post 13.92, Central California Traction Location: Lodi, San Joaquin County, California

THIS AGREEMENT is made and entered into as of the ________, day of ________, 200__, by and between CENTRAL CALIFORNIA TRACTION COMPANY, a California corporation (hereinafter the Licensor) and CITY OF LODI., a municipality, to be addressed 221 West Pine Street, Lodi, California 95240 (hereinafter the Licensee).

IT IS MUTUALLY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

ARTICLE 1 - LICENSE FEE

Upon the execution of this Agreement, the Licensee shall pay to the Licensor a one-time license fee of ONE THOUSAND SIX HUNDRED DOLLARS (\$1,600.00) and a administrative handling charge of ONE THOUSAND HUNDRED DOLLARS (\$1,000.00) for clerical, administrative and handling expense in connection with processing this Agreement.

ARTICLE 2 - LICENSOR GRANTS RIGHT

In consideration of the license fee to be paid by Licensee and in further consideration of the covenants and agreements herein contained to be by the Licensee kept, observed and performed, the Licensor hereby grants to the Licensee the right to construct and thereafter, during the term hereof, to maintain and operate

One 10 inch water pipeline crossing

(hereinafter the Pipeline) in the location shown and in conformity with the dimensions and specifications indicated on the attached print marked Exhibit A. Under no circumstances shall Licensee modify the use of the Pipeline for a purpose other than conveying water, and said Pipeline shall not be used to convey any other substance, any fiber optic cable, or for any other use, whether such use is currently technologically possible, or whether such use may come into existence during the life of this Agreement.

ARTICLE 3 - CONSTRUCTION, MAINTENANCE AND OPERATION

The grant of right herein made to the Licensee is subject to each and all of the terms, provisions, conditions, limitations and covenants set forth herein and in Exhibit B, hereto attached.

ARTICLE 4 - IF WORK IS TO BE PERFORMED BY CONTRACTOR

If a contractor is to do any of the work performed on the Pipeline (including initial construction and subsequent relocation or substantial maintenance and repair work), then the Licensee shall require its contractor to execute the Licenser's form Contractor's Right of Entry Agreement. Licensee acknowledges receipt of a copy of Contractor's Right

of Entry Agreement and understanding its term, provisions and requirements, and will inform its contractor of the need to execute the Agreement. Under no circumstances will Licensee's contractor be allowed onto Licensor's premises without first executing the Contractor's Right of Entry Agreement.

ARTICLE 5 - **TERM**

This Agreement shall take effect as of the date first herein written and shall continue in full force and effect until terminated as herein provided.

ARTICLE 6 - SPECIAL PROVISIONS

None

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in duplicate as of the date first herein written.

CENTRAL CALIFORNIA TRACTION COMPANY

	By
	DIRECTOR CONTRACTS
WITNESS:	CITY OF LODI
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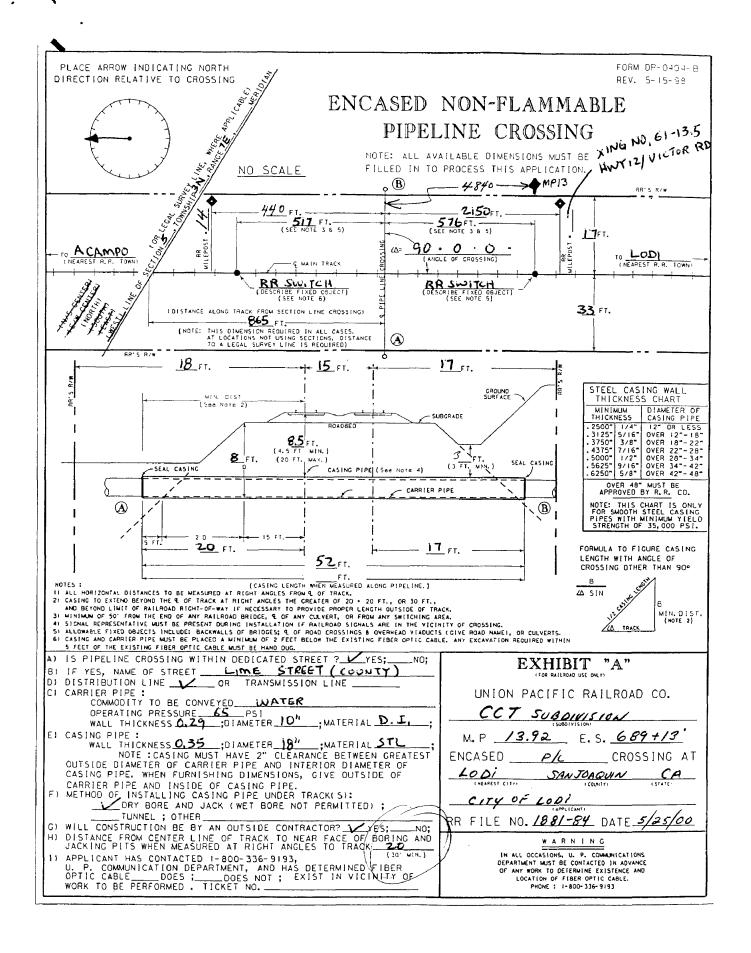


EXHIBIT B

Section 1. LIMITATION AND SUBORDINATION OF RIGHTS GRANTED.

- a) The foregoing grant of right is subject and subordinate to the prior and continuing right and obligation of the Licensor to use and maintain its entire property including the right and power of the Licensor to construct, maintain, repair, renew, use, operate, change, modify or relocate railroad tracks, signal, communication, fiber optics, or other wirelines, pipelines and other facilities upon, along or across any or all parts of its property, all or any of which may be freely done at any time or times by the Licensor without liability to the Licensee or to any other party for compensation or damages.
- b) The foregoing grant is also subject to all outstanding superior rights (including those in favor of licensees and lessees of the Licensor's property, and others) and the right of the Licensor to renew and extend the same, and is made without covenant of title or for quiet enjoyment.

Section 2. CONSTRUCTION, MAINTENANCE AND OPERATION.

- a) The Pipeline shall be constructed, operated, maintained, repaired, renewed, modified and/or reconstructed by the Licensee in strict conformity with Union Pacific Railroad Co. Common Standard Specification 1029 adopted November 1949, and all amendments thereof and supplements thereto, which by this reference is hereby made a part hereof, except as may be modified and approved by the Licensor's Vice President-Engineering Services. In the event such Specification conflicts in any respect with the requirements of any federal, state or municipal law or regulation, such requirements shall govern on all points of conflict, but in all other respects the Specification shall apply.
- b) All work performed on property of the Licensor in connection with the construction, maintenance, repair, renewal, modification or reconstruction of the Pipeline shall be done to the satisfaction of the Licensor.
- Prior to the commencement of any work in connection with the construction, maintenance, repair, renewal, modification, relocation, reconstruction or removal of the Pipeline where it passes underneath the roadbed and track or tracks of the Licensor, the Licensee shall submit to the Licensor plans setting out the method and manner of handling the work, including the shoring and cribbing, if any, required to protect the Licensor's operations, and shall not proceed with the work until such plans have been approved by the Vice President-Engineering Services of the Licensor and then the work shall be done to the satisfaction of the Vice President-Engineering Services or his authorized representative. The Licensor shall have the right, if it so elects, to provide such support as it may deem necessary for the safety of its track or tracks during the time of construction, maintenance, repair, renewal, modification, relocation, reconstruction or removal of the Pipeline, and, in the event the Licensor provides such support, the Licensee shall pay to the Licensor, within fifteen (15) days after bills shall have been rendered therefor, all expense incurred by the Licensor in connection therewith, which expense shall include all assignable costs.
- d) The Licensee shall keep and maintain the soil over the Pipeline thoroughly compacted and the grade even with the adjacent surface of the ground.

Section 3. NOTICE OF COMMENCEMENT OF WORK.

If an emergency should arise requiring immediate attention, the Licensee shall provide as much notice as practicable to Licensor before commencing any work. In all other situations, the Licensee shall notify the Licensor at least ten (10) days (or such other time as the Licensor may allow) in advance of the commencement of any work upon property of the Licensor in connection with the construction, maintenance, repair, renewal, modification, reconstruction, relocation or removal of the Pipeline. All such work shall be prosecuted diligently to completion.

Section 4. LICENSEE TO BEAR ENTIRE EXPENSE.

The Licensee shall bear the entire cost and expense incurred in connection with the construction, maintenance, repair and renewal and any and all modification, revision, relocation, removal or reconstruction of the Pipeline, including any and all expense which may be incurred by the Licensor in connection therewith for supervision, inspection, flagging, or otherwise.

Section 5. REINFORCEMENT, RELOCATION OR REMOVAL OF PIPELINE.

- a) The license herein granted is subject to the needs and requirements of the Licensor in the operation of its railroad and in the improvement and use of its property, and the Licensee shall, at the sole expense of the Licensee, reinforce the Pipeline, or move all or any portion of the Pipeline to such new location as the Licensor may designate, whenever, in the furtherance of its needs and requirements, the Licensor shall find such action necessary or desirable.
- b) All the terms, conditions and stipulations herein expressed with reference to the Pipeline on property of the Licensor in the location hereinbefore described shall, so far as the Pipeline remains on the property, apply to the Pipeline as modified, changed or relocated within the contemplation of this section.

Section 6. NO INTERFERENCE WITH LICENSOR'S OPERATION.

The Pipeline and all parts thereof within and outside of the limits of the property of the Licensor shall be constructed and, at all times, maintained, repaired, renewed and operated in such manner as to cause no interference whatsoever with the constant, continuous and uninterrupted use of the tracks, property and facilities of the Licensor, and nothing shall be done or suffered to be done by the Licensee at any time that would in any manner impair the safety thereof.

Section 7. PROTECTION OF FIBER OPTIC CABLE SYSTEMS.

- a) Fiber optic cable systems may be buried on the Licensor's property. Protection of the fiber optic cable systems is of extreme importance since any break could disrupt service to users resulting in business interruption and loss of revenue and profits. Licensee shall telephone the Licensor at 1-800-336-9193 (a 24-hour number) to determine if fiber optic cable is buried anywhere on the Licensor's premises to be used by the Licensee. If it is, Licensee will telephone the telecommunications company(ies) involved, arrange for a cable locator, make arrangements for relocation or other protection of the fiber optic cable, all at Licensee's expense, and will commence no work on the right of way until all such protection or relocation has been accomplished. Licensee shall indemnify and hold the Licensor harmless from and against all costs, liability and expense whatsoever (including, without limitation, attorneys' fees, court costs and expenses) arising out of or caused in any way by Licensee's failure to comply with the provisions of this paragraph.
- In addition to other indemnity provisions in this Agreement, the Licensee shall indemnify and hold the Licensor harmless from and against all costs, liability and expense whatsoever (including, without limitation, attorneys' fees, court costs and expenses) caused by the negligence of the Licensee, its contractor, agents and/or employees, resulting in (1) any damage to or destruction of any telecommunications system on Licensor's property, and/or (2) any injury to or death of any person employed by or on behalf of any telecommunications company, and/or its contractor, agents and/or employees, on Licensor's property, except if such costs, liability or expenses are caused solely by the direct active negligence of the Licensor. Licensee further agrees that it shall not have or seek recourse against Licensor for any claim or cause of action for alleged loss of profits or revenue or loss of service or other consequential damage to a telecommunication company using Licensor's property or a customer or user of services of the fiber optic cable on Licensor's property.

Section 8. CLAIMS AND LIENS FOR LABOR AND MATERIAL: TAXES.

- a) The Licensee shall fully pay for all materials joined or affixed to and labor performed upon property of the Licensor in connection with the construction, maintenance, repair, renewal, modification or reconstruction of the Pipeline, and shall not permit or suffer any mechanic's or materialman's lien of any kind or nature to be enforced against the property for any work done or materials furnished thereon at the instance or request or on behalf of the Licensee. The Licensee shall indemnify and hold harmless the Licensor against and from any and all liens, claims, demands, costs and expenses of whatsoever nature in any way connected with or growing out of such work done, labor performed, or materials furnished.
- The Licensee shall promptly pay or discharge all taxes, charges and assessments levied upon, in respect to, or on account of the Pipeline, to prevent the same from becoming a charge or lien upon property of the Licensor, and so that the taxes, charges and assessments levied upon or in respect to such property shall not be increased because of the location, construction or maintenance of the Pipeline or any improvement, appliance or fixture connected therewith placed upon such property, or on account of the Licensee's interest therein. Where such tax, charge or assessment may not be separately made or assessed to the Licensee but shall be included in the assessment of the property of the Licensor, then the Licensee's hall pay to the Licensor an equitable proportion of such taxes determined by the value of the Licensee's property upon property of the Licensor as compared with the entire value of such property.

Section 9. RESTORATION OF LICENSOR'S PROPERTY.

In the event the Licensor authorizes the Licensee to take down any fence of the Licensor or in any manner move or disturb any of the other property of the Licensor in connection with the construction, maintenance, repair, renewal, modification, reconstruction, relocation or removal of the Pipeline, then in that event the Licensee shall, as soon as possible and at Licensee's sole expense, restore such fence and other property to the same condition as the same were in before such fence was taken down or such other property was moved or disturbed, and the Licensee shall indemnify and hold harmless the Licensor, its officers, agents and employees, against and from any and all liability, loss, damages, claims, demands, costs and expenses of whatsoever nature, including court costs and attorneys' fees, which may result from injury to or death of persons whomsoever, or damage to or loss or destruction of property whatsoever, when such injury, death, damage, loss or destruction grows out of or arises from the taking down of any fence or the moving or disturbance of any other property of the Licensor.

Section 10. INDEMNITY.

- a) As used in this Section, "Licensor" includes other railroad companies using the Licensor's property at or near the location of the Licensee's installation and their officers, agents, and employees; "Loss" includes loss, damage, claims, demands, actions, causes of action, penalties, costs, and expenses of whatsoever nature, including court costs and attorneys' fees, which may result from: a) injury to or death of persons whomsoever (including the Licensor's officers, agents, and employees, the Licensee's officers, agents, and employees, as well as any other person); and/or b) damage to or loss or destruction of property whatsoever (including Licensee's property, damage to the roadbed, tracks, equipment, or other property of the Licensor, or property in its care or custody).
- b) As a major inducement and in consideration of the license and permission herein granted, the Licensee agrees to indemnify and hold harmless the Licensor from any Loss which is due to or arises from:
 - The prosecution of any work contemplated by this Agreement including the installation, construction, maintenance, repair, renewal, modification, reconstruction, relocation, or removal of the Pipeline or any part thereof; or
 - 2. The presence, operation, or use of the Pipeline or contents escaping therefrom,

except to the extent that the Loss is caused by the sole and direct negligence of the Licensor.

Section 11. REMOVAL OF PIPE LINE UPON TERMINATION OF AGREEMENT.

Prior to the termination of this Agreement howsoever, the Licensee shall, at Licensee's sole expense, remove the Pipeline from those portions of the property not occupied by the roadbed and track or tracks of the Licensor and shall restore, to the satisfaction of the Licensor, such portions of such property to as good a condition as they were in at the time of the construction of the Pipeline. If the Licensee fails to do the foregoing, the Licensor may do such work of removal and restoration at the cost and expense of the Licensee. The Licensor may, at its option, upon such termination, at the entire cost and expense of the Licensee, remove the portions of the Pipeline located underneath its roadbed and track or tracks and restore such roadbed to as good a condition as it was in at the time of the construction of the Pipeline, or it may permit the Licensee to do such work of removal and restoration to the satisfaction of the Licensor. In the event of the removal by the Licensor of the property of the Licensee and of the restoration of the roadbed and property as herein provided, the Licensor shall in no manner be liable to the Licensee for any damage sustained by the Licensee for or on account thereof, and such removal and restoration shall in no manner prejudice or impair any right of action for damages, or otherwise, that the Licensor may have against the Licensee.

Section 12. WAIVER OF BREACH.

The waiver by the Licensor of the breach of any condition, covenant or agreement herein contained to be kept, observed and performed by the Licensee shall in no way impair the right of the Licensor to avail itself of any remedy for any subsequent breach thereof.

Section 13. TERMINATION.

- a) If the Licensee does not use the right herein granted or the Pipeline for one (1) year, or if the Licensee continues in default in the performance of any covenant or agreement herein contained for a period of thirty (30) days after written notice from the Licenser to the Licensee specifying such default, the Licenser may, at its option, forthwith immediately terminate this Agreement by written notice.
- b) In addition to the provisions of subparagraph a) above, this Agreement may be terminated by written notice given by either party hereto to the other on any date in such notice stated, not less, however, than thirty (30) days subsequent to the date upon which such notice shall be given.
- c) Notice of default and notice of termination may be served personally upon the Licensee or by mailing to the last known address of the Licensee. Termination of this Agreement for any reason shall not affect any of the rights or obligations of the parties hereto which may have accrued, or liabilities, accrued or otherwise, which may have arisen prior thereto.

Section 14. AGREEMENT NOT TO BE ASSIGNED.

The Licensee shall not assign this Agreement, in whole or in part, or any rights herein granted, without the written consent of the Licensor, and it is agreed that any transfer or assignment or attempted transfer or assignment of this Agreement or any of the rights herein granted, whether voluntary, by operation of law, or otherwise, without such consent in writing, shall be absolutely void and, at the option of the Licensor, shall terminate this Agreement.

Section 15. SUCCESSORS AND ASSIGNS.

Subject to the provisions of Section 14 hereof, this Agreement shall be binding upon and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors and assigns.



CENTRAL CALIFORNIA TRACTION COMPANY

2201 W. WASHINGTON ST. #12 STOCKTON, CALIFORNIA 95203-2942 FAX (209) 466-1204



P. E. COPPLE SUPERINTENDENT (209) 466-6927 R. E. STOKES
SUPERVISOR, SIGNALS
AND LOCOMOTIVES
(209) 463-0798

File 312.21

To the Contractor:

Before the Railroad Company can permit you to perform work on its right of way for the installation of a 10 inch water pipeline crossing, for the **CITY OF LODI**, it will be necessary to complete the enclosed Contractor's Right of Entry Agreement as follows:

- 1. Fill in the <u>complete</u> legal name of the contractor in the space provided on Page 1 of the Contractor's Right of Entry Agreement. If a corporation, give the state of incorporation. If a partnership, give the names of all partners.
- 2. Fill in the date construction will begin and be completed in Article 5, Paragraph A.
- 3. Fill in the name of the contractor in the space provided in the signature block at the end of the Contractor's Right of Entry Agreement. If the contractor is a corporation, the person signing on its behalf must be an elected corporate officer.
- 4. Return all copies of the Contractor's Right of Entry Agreement together with your Certificate of Insurance as required in Exhibit B-1.
- 5. Check made payable to the Central California Traction Company in the amount of \$500.00. If you require formal billing, you may consider this letter as a formal bill. In compliance with the Internal Revenue Services' policy regarding Form 1099, I certify that 94-000255 is the Railroad Company's correct Federal Taxpayer Identification Number and that Central California Traction Company is doing business as a corporation.

After approval of the Contractor's Right of Entry Agreement and the Insurance Certificate, your fully-executed document will be returned to you, with instructions to proceed. In no event should you begin work until you have received a copy of the signed Contractor's Right of Entry Agreement.

Very truly yours,

P. E. Copple

CONTRACTOR'S RIGHT OF ENTRY AGREEMENT

THIS AGREEMENT is made and entered into as of the		, 200, by and
between CENTRAL CALIFORNIA TRACTION COMPANY, a Ca	alifornia corporation (hereinafte	er referred to as the "Railroad"); and
	, a	
corporation (hereinafter the referred to as the "Contractor").		

RECITALS:

The Contractor has been hired by CITY OF LODI for the purpose of constructing (hereinafter "work") a 10 inch water pipeline crossing on property of the Railroad at or near Mile Post 13.92, Central California Traction Subdivision, at or near Lodi, California.

The Contractor has requested the Railroad to permit it to perform the work and Railroad is agreeable thereto, subject to the following terms and conditions.

AGREEMENT:

NOW, THEREFORE, it is mutually agreed by and between the Railroad and Contractor, as follows:

ARTICLE 1. DEFINITION OF CONTRACTOR

For purposes of this agreement, all references in this agreement to the Contractor shall include the Contractor's contractors, subcontractors, officers, agents and employees, and others acting under its or their authority.

ARTICLE 2. RIGHT GRANTED; PURPOSE

The Railroad hereby grants to the Contractor the right, during the term hereinafter stated and upon and subject to each and all of the terms, provisions and conditions herein contained, to enter upon and have ingress to and egress from the property described in the Recitals hereof and as shown on the attached print dated May 25, 2000, marked Exhibit A for the purpose of performing the work described in the Recitals above. The right herein granted to Contractor is limited to those portions of the Railroad's property specifically described herein, or designated by the Railroad representative named in Article 4.

ARTICLE 3. TERMS AND CONDITIONS CONTAINED IN EXHIBITS B AND B-1

The terms and conditions contained in Exhibits B and B-1, hereto attached, are hereby made a part of this agreement.

ARTICLE 4. ALL EXPENSES TO BE BORNE BY CONTRACTOR; RAILROAD REPRESENTATIVE

The Contractor shall bear any and all costs and expenses associated with any work performed by the Contractor, or any costs or expenses incurred by the Railroad relating to this agreement. All work performed by Contractor on Railroad's property shall be performed in a manner satisfactory to the respective local Superintendent of Transportation Services of the Railroad or his authorized representative (hereinafter the Railroad Representative).

ARTICLE 5 - ADMINISTRATIVE HANDLING CHARGE

Upon execution and delivery of this Contractor's Agreement, the Contractor shall pay to the Railroad an administrative handling charge of FIVE HUNDRED DOLLARS (\$500.00).

Articles of Agreement Page 1 of 2 May 26, 2000

ART	CLE 6. T	ERM; TERMINA	TION			
a).	The gran	t of right herein	made to Con	tractor shall commence	on	, and continue unti
	ad's property ilroad proper	, whichever is earli	less sooner terr er. Contractor	ninated as herein provide agrees to notify the Railro	ed, or at such time as	Contractor has completed its work or writing when it has completed its work
b).	This agre	ement may be tern	ninated by eith	er party on ten (10) days	written notice to the	other party.
ARTI	CLE 7. <u>C</u>	ERTIFICATE O	F INSURANC	E		
a). the ins	Before co surance cove	mmencing any wor	rk, the Contract lant to Exhibit	tor will provide the Railro B-1 of this agreement in	ad with a Certificate is a policy which contain	ssued by its insurance carrier providing ns the following type of endorsement
				pany is named as addition actor, performance of any		
b). agent(has been thoroughly re surance coverage and an		nce agent(s)/broker(s) and that said ired herein.
C.	All insura	ance corresponden	ce shall be dire	ected to:		
				File No. 1806-29 tral California Traction 01 West Washington S Stockton, CA 95203	n Company treet #12	
ARTI	CLE 8. <u>C</u>	HOICE OF FOR	<u>UM</u>			
	alifornia onl		onsent to juris	diction over their person		l in the courts of the states of Nebraska matter of any such litigation, in those
ARTI	CLE 9.	SPECIAL PROV	ISIONS			
	None.	IN WITNESS WE	IEREOF, the p	parties hereto have execut	ed this agreement in d	uplicate as the date first herein written
			CENTRAL	CALIFORNIA TRAC	TION COMPANY	
	WI	TNESS:	Ву	DIRECTOR CONTRAC	(Name of Contractor)	
				X Title:	· · · · · · · · · · · · · · · · · · ·	

Articles of Agreement Page 2 of 2

1.00

May 26, 2000

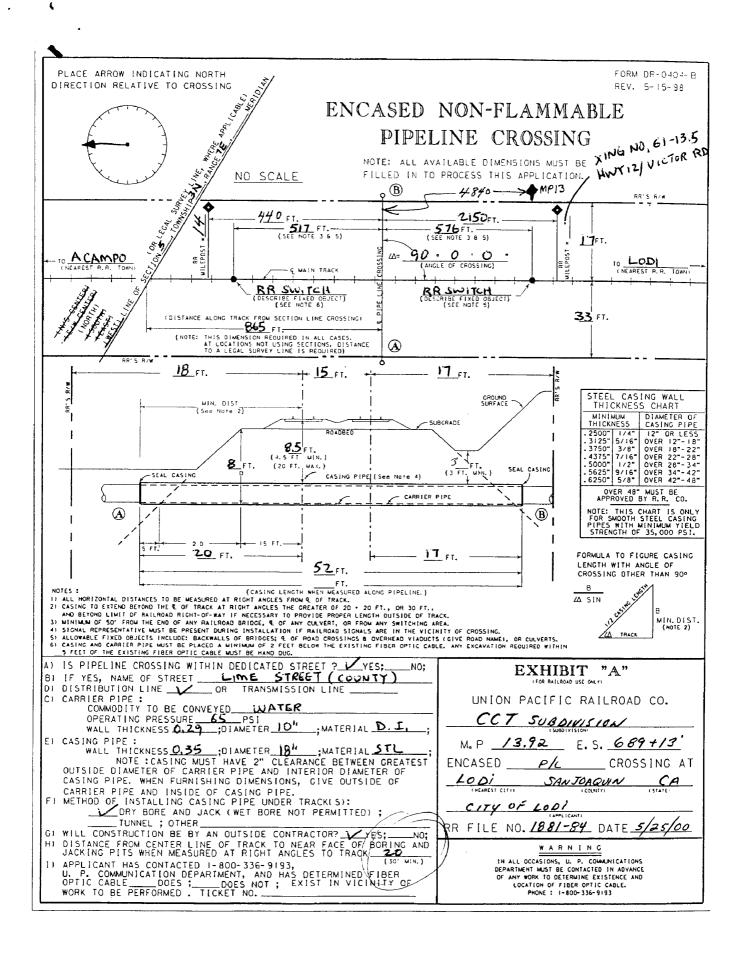


EXHIBIT B TO CONTRACTOR'S RIGHT OF ENTRY AGREEMENT

Section 1. NOTICE OF COMMENCEMENT OF WORK - FLAGGING.

The Contractor agrees to notify the Railroad Representative at least 48 hours in advance of Contractor commencing its work and at least 24 hours in advance of proposed performance of any work by the Contractor in which any person or equipment will be within 25 feet of any track, or will be near enough to any track that any equipment extension (such as, but not limited to, a crane boom) will reach to within 25 feet of any track. Upon receipt of such notice, the Railroad Representative will determine and inform the Contractor whether a flagman need be present and whether the Contractor need implement any special protective or safety measures. If any flagmen or other special protective or safety measures are performed by the Railroad, such services will be provided at Contractor's expense with the understanding that if the Railroad provides any flagging or other services the Contractor shall not be relieved of any of its responsibilities or liabilities set forth herein.

Section 2. NO INTERFERENCE WITH RAILROAD'S OPERATION.

No work performed by Contractor shall cause any interference with the constant, continuous and uninterrupted use of the tracks, property and facilities of the Railroad its lessees, licensees or others, unless specifically permitted under this agreement, or specifically authorized in advance by the Railroad Representative. Nothing shall be done or suffered to be done by the Contractor at any time that would in any manner impair the safety thereof. When not in use, Contractor's machinery and materials shall be kept at least 50 feet from the centerline of Railroad's nearest track, and there shall be no vehicular crossings of Railroad's tracks except at existing open public crossings.

Section 3. MECHANIC'S LIENS.

The Contractor shall pay in full all persons who perform labor or provide materials for the work to be performed by Contractor. The Contractor shall not create, permit or suffer any mechanic's or materialmen's liens of any kind or nature to be created or enforced against any property of the Railroad for any such work performed. The Contractor shall indemnify and hold harmless the Railroad from and against any and all liens, claims, demands, costs or expenses of whatsoever nature in any way connected with or growing out of such work done, labor performed, or materials furnished.

Section 4. PROTECTION OF FIBER OPTIC CABLE SYSTEMS.

- a). Fiber optic cable systems may be buried on the Railroad's property. Protection of the fiber optic cable systems is of extreme importance since any break could disrupt service to users resulting in business interruption and loss of revenue and profits. Contractor shall telephone the Railroad at 1-800-336-9193 to determine if fiber optic cable is buried anywhere on the Railroad's premises to be used by the Contractor. If it is, Contractor will telephone the telecommunications company(ies) involved, arrange for a cable locator, make arrangements for relocation or other protection of the fiber optic cable, all at Contractor's expense, and will commence no work on the right of way until all such protection or relocation has been accomplished.
- b). In addition to other indemnity provisions in this Agreement, the Contractor shall indemnify and hold the Railroad harmless from and against all costs, liability and expense whatsoever (including, without limitation, attorneys' fees, court costs and expenses) arising out of any act or omission of the Contractor, its contractor, agents and/or employees, that causes or contributes to (1) any damage to or destruction of any telecommunications system on Railroad's property, and/or (2) any injury to or death of any person employed by or on behalf of any telecommunications company, and/or its contractor, agents and/or employees, on Railroad's property. Contractor shall not have or seek recourse against Railroad for any claim or cause of action for alleged loss of profits or revenue or loss of service or other consequential damage to a telecommunication company using Railroad's property or a customer or user of services of the fiber optic cable on Railroad's property.

Section 5. COMPLIANCE WITH LAWS.

In the prosecution of the work covered by this agreement, the Contractor shall secure any and all necessary permits and shall comply with all applicable federal, state and local laws, regulations and enactments affecting the work. The Contractor shall use only such methods as are consistent with safety, both as concerns the Contractor, the Contractor's agents and employees, the officers, agents, employees and property of the Railroad and the public in general. The Contractor (without limiting the generality of the foregoing) shall comply with all applicable state and federal occupational safety and health acts and regulations. All Federal Railroad Administration regulations shall be followed when work is performed on the Railroad's property. If any failure by the Contractor to comply with any such laws, regulations, and enactments, shall result in any fine, penalty, cost or charge being assessed, imposed or charged against the Railroad, the Contractor shall reimburse and indemnify the Railroad for any such fine, penalty, cost, or charge, including without limitation attorneys' fees, court costs and expenses. The Contractor further agrees in the event of any such action, upon notice thereof being provided by the Railroad, to defend such action free of cost, charge, or expense to the Railroad.

Page 1 of 4 Exhibit B

Section 6. SAFETY INSTRUCTIONS.

Safety of personnel, property, rail operations and the public is of paramount importance in the prosecution of the work pursuant to this agreement. As reinforcement and in furtherance of overall safety measures to be observed by the Contractor (and not by way of limitation), the following special safety rules shall be followed:

- a). The Contractor shall keep the job site free from safety and health hazards and ensure that its employees are competent and adequately trained in all safety and health aspects of the job. The Contractor shall have proper first aid supplies available on the job site so that prompt first aid services can be provided to any person that may be injuried on the job site. The Contractor shall promptly notify the Railroad of any U.S. Occupational Safety and Health Administration reportable injuries occurring to any person that may arise during the work performed on the job site. The Contractor shall have a non-delegable duty to control its employees, while they are on the job site or any other property of the Railroad to be certain they do not use, be under the influence of, or have in their possession any alcoholic beverage, drug, narcotic or other substance that may inhibit the safe performance of work by the employee.
- b). The employees of the Contractor shall be suitably dressed to perform their duties safely and in a manner that will not interfere with their vision, hearing or free use of their hands or feet. Only waist length shirts with sleeves and trousers that cover the entire leg are to be worn. If flare-legged trousers are worn, the trouser bottoms must be tied to prevent catching. The employees should wear sturdy and protective work boots and at least the following protective equipment:
 - (1) Protective head gear that meets American National Standard-Z89.1-latest revision. It is suggested that all hardhats be affixed with Contractor's or subcontractor's company logo or name.
 - (2) Eye protection that meets American National Standard for occupational and educational eye and face protection, Z87.1-latest revision. Additional eye protection must be provided to meet specific job situations such as welding, grinding, burning, etc.; and
 - (3) Hearing protection which affords enough attenuation to give protection from noise levels that will be occurring on the job site.
- c). All heavy equipment provided or leased by the Contractor shall be equipped with audible back-up warning devices. If in the opinion of the Railroad Representative any of Contractor's or any of its subcontractor's equipment is unsafe for use on the Railroad's right-of-way, the Contractor, at the request of the Railroad Representative, shall remove such equipment from the Railroad's right-of-way.

Section 7. INDEMNITY.

- a). As used in this Section, "Railroad" includes other railroad companies using the Railroad's property at or near the location of the Contractor's installation and their officers, agents, and employees; "Loss" includes loss, damage, claims, demands, actions, causes of action, penalties, costs, and expenses of whatsoever nature, including court costs and attorneys' fees, which may result from: (a) injury to or death of persons whomsoever (including the Railroad's officers, agents, and employees, the Contractor's officers, agents, and employees, as well as any other person); and/or (b) damage to or loss or destruction of property whatsoever (including Contractor's property, damage to the roadbed, tracks, equipment, or other property of the Railroad, or property in its care or custody).
- b). As a major inducement and in consideration of the license and permission herein granted, the Contractor agrees to indemnify and hold harmless the Railroad from any Loss which is due to or arises from any cause and is associated in whole or in part with the work performed under this agreement, a breach of the agreement or the failure to observe the health and safety provisions herein, or any activity, omission or negligence arising out of performance or nonperformance of this agreement. However, the Contractor shall not indemnify the Railroad when the Loss is caused by the sole negligence of the Railroad.
- c). The Contractor shall maintain whatever insurance coverage is necessary to adequately underwrite its general and contractual liability under the terms of this Agreement.

Section 8. RESTORATION OF PROPERTY.

In the event the Railroad authorizes the Contractor to take down any fence of the Railroad or in any manner move or disturb any of the other property of the Railroad in connection with the work to be performed by Contractor, then in that event the Contractor shall, as soon as possible and at Contractor's sole expense, restore such fence and other property to the same condition as the same were in before such fence was taken down or such other property was moved or disturbed.

Page 2 of 4 Exhibit B

Section 9. WAIVER OF BREACH.

The waiver by the Railroad of the breach of any condition, covenant or agreement herein contained to be kept, observed and performed by the Contractor shall in no way impair the right of the Railroad to avail itself of any remedy for any subsequent breach thereof.

Section 10. ASSIGNMENT - SUBCONTRACTING.

The Contractor shall not assign, sublet or subcontract this agreement, or any interest therein, without the written consent of the Railroad and any attempt to so assign, sublet or subcontract without the written consent of the Railroad shall be void. If the Railroad gives the Contractor permission to subcontract all or any portion of the work herein described, the Contractor is and shall remain responsible for all work of subcontractors and all work of subcontractors shall be governed by the terms of this agreement.

Page 3 of 4 Exhibit B

EXHIBIT B-1

Right of Entry Agreements Contract Insurance Requirements Third Party Contractors

Contractor shall, at its sole cost and expense, procure and maintain during the life of this Agreement the following insurance coverage:

- a) General Liability insurance providing bodily injury including death, personal injury and property damage coverage with a combined single limit of at least \$2,000,000 each occurrence or claim and an aggregate limit of at least \$4,000,000. This insurance shall contain broad form contractual liability with a separate general aggregate for the project (ISO Form CG 25 03 or equivalent). Exclusions for railroads (except where the Job Site is more than fifty feet (50°) from any railroad tracks, bridges, trestles, roadbeds, terminals, underpasses or crossings), and explosion, collapse and underground hazard shall be removed. Coverage purchased on a claims made form shall provide for at least a two (2) year extended reporting or discovery period if (a) the coverage changes from a claims made form to an occurrence form, (b) there is a lapse/cancellation of coverage, or (c) the succeeding claims made policy retroactive date is different for the expiring policy.
- b) <u>Automobile Liability</u> insurance providing bodily injury, property damage and uninsured vehicles coverage with a combined single limit of at least \$2,000,000 each occurrence or claim. This insurance shall cover all motor vehicles including hired and non-owned, and mobile equipment if excluded from coverage under the general public liability insurance.
- c) <u>Workers' Compensation</u> insurance covering Contractor's statutory liability under the workers' compensation laws of the state(s) affected by this Agreement, and Employers' Liability. If such insurance will not cover the liability of Contractor in states that require participation in state workers' compensation fund. Contractor shall comply with the laws of such states. If Contractor is self-insured, evidence of state approval must be provided.

Contractor and their insurers shall endorse the required insurance policy(ies) to <u>waive their right of subrogation</u> against Railroad. Contractor's insurance shall be primary with respect to any insurance carried by Railroad. The policies required under (a) and (b) above shall provide severability of interests and shall name Railroad as an additional insured.

Prior to commencing the Work, Contractor shall <u>furnish to Railroad</u> certificate(s) of insurance evidencing the required coverage and endorsements and upon request, a certified duplicate original of any required policy. The certificate(s) shall contain a provision that obligates the insurance company(ies) issuing such policy(ies) to notify Railroad in writing of any material alteration including any change in the retroactive date in any "claims-made" policies or substantial reduction of aggregate limits, if such limits apply, or any cancellation at least thirty (30) days prior thereto.

The insurance policy(ies) shall be written by a reputable insurance company(ies) acceptable to Railroad or with a current Best's Insurance Guide Rating of B and Class VII or better, and authorized to do business in the state(s) in which the Job Site is located.

Contractor WARRANTS that this Agreement has been thoroughly reviewed by Contractor's insurance agent(s)/broker(s), who have been instructed by Contractor to procure the insurance coverage required by this Agreement.

If Contractor fails to procure and maintain insurance as required, Railroad may elect to do so at the cost of Contractor.

The fact that insurance is obtained by Contractor shall not be deemed to release or diminish the liability of Contractor, including, without limitation, liability under the indemnity provisions of this Agreement. Damages recoverable by Railroad shall not be limited by the amount of the required insurance coverage.

Page 4 of 4 Exhibit B-1

RESOLUTION NO. 2000-117

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING CITY MANAGER TO EXECUTE AGREEMENT WITH CENTRAL CALIFORNIA TRACTION COMPANY FOR PIPELINE CROSSING AT LIME STREET

WHEREAS, BE IT RESOLVED, that the Lodi City Council does hereby authorize the City Manager to execute an Agreement with Central California Traction Company (CCTC) for the installation of a water main crossing inside CCTC's right-of-way at Lime Street.

Dated: July 5, 2000

I hereby certify that Resolution No. 2000-117 was passed and adopted by the Lodi City Council in a regular meeting held July 5, 2000 by the following vote:

AYES: COUNCIL MEMBERS - Hitchcock, Land, Nakanishi, Pennino

and Mann (Mayor)

Interim City Clerk

NOES: COUNCIL MEMBERS -

ABSENT: COUNCIL MEMBERS -

ABSTAIN: COUNCIL MEMBERS -

2000-117

CITY COUNCIL

STEPHEN J. MANN, Mayor ALAN S. NAKANISHI Mayor Pro Tempore SUSAN HITCHCOCK KEITH LAND PHILLIP A. PENNINO

CITY OF LODI

PUBLIC WORKS DEPARTMENT

CITY HALL, 221 WEST PINE STREET
P.O. BOX 3006
LODI, CALIFORNIA 95241-1910
(209) 333-6706
FAX (209) 333-6710
EMAIL pwdept@lodi.gov
http://www.lodi.gov

June 28, 2000

H. DIXON FLYNN
City Manager

JACQUELINE L. TAYLOR
Interim City Clerk

RANDALL A. HAYS
City Attorney

RICHARD C. PRIMA. JR.

Public Works Director

P. E. Copple, Superintendent Central California Traction Co. 2201 W. Washington St., #12 Stockton, CA 95203-2942 Stephen Berger Mondavi Winery 860-R Napa Valley Corp. Way Napa, CA 94558

SUBJECT: Authorize the City Manager to Execute a Pipeline Crossing Agreement with Central California Traction Company at Lime Street

Enclosed is a copy of background information on an item on the City Council agenda of Wednesday, July 5, 2000. The meeting will be held at 7 p.m. in the City Council Chamber, Carnegie Forum, 305 West Pine Street.

This item is on the consent calendar and is usually not discussed unless a Council Member requests discussion. The public is given an opportunity to address items on the consent calendar at the appropriate time.

If you wish to write to the City Council, please address your letter to City Council, City of Lodi, P. O. Box 3006, Lodi, California, 95241-1910. Be sure to allow time for the mail. Or, you may hand-deliver the letter to City Hall, 221 West Pine Street.

If you wish to address the Council at the Council Meeting, be sure to fill out a speaker's card (available at the Carnegie Forum immediately prior to the start of the meeting) and give it to the City Clerk. If you have any questions about communicating with the Council, please contact Jackie Taylor, Interim City Clerk, at (209) 333-6702.

If you have any questions about the item itself, please call Lyman Chang, Associate Civil Engineer, at (209) 333-6800, ext. 2665.

Richard C. Prima, Jr. Public Works Director

RCP/lm Enclosure

cc: Interim City Clerk